

FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

February 27, 2019

The Honorable Anthony Brindisi U.S. House of Representatives 329 Cannon House Office Building Washington, D.C. 20515

Dear Congressman Brindisi:

Thank you for your letter regarding the importance of affordable and reliable broadband in communities with limited access. Having grown up in rural Kansas, I know what the digital divide is like. That's why closing that divide is my top priority—and one that the Commission is working on all fronts to support.

That's why last year we streamlined rules to deploy the next-generation of wireless connectivity, known as 5G, encouraged carriers to replace aging copper with super-fast fiber on an expedited basis, launched the first auction for millimeter-wave spectrum, increased federal support for our rural healthcare program and for small, rural carriers serving high-cost areas, and held our nation's first reverse auction for fixed broadband support.

Importantly, the Commission also waived our high-cost rules for New York State in 2017 to better coordinate funding between the federal Universal Service Fund and the state's New NY Broadband Program. The Commission agreed to make available matching funds from its Connect America Fund for each dollar awarded by the state program. Commission staff is currently reviewing the applications filed by the state awardees at the end of last year. The results of all these actions will be felt throughout America, and especially in rural America, where as you know the case to build out broadband is all the harder for any business to make.

Regarding your specific questions about Charter's residential buildout obligations, the Commission required Charter to deploy high-speed broadband to two million additional customer locations no later than May 2021 and meet interim annual broadband deployment obligations leading up to that date. To comply with the condition, Charter has been required to provide two reports per year that an Independent Compliance Office then reviews. The most recent report, dated January 15, 2019, states that "Charter is in compliance with the Build-Out

¹ See Applications of Charter Communications, Inc., Time Warner Cable Inc., and Advance/Newhouse Partnership For Consent to Assign or Transfer Control of Licenses and Authorizations, Memorandum Opinion and Order, MB Docket No. 15-149, 31 FCC Rcd 6327, 6544 (2016) (Charter/TWC Order).

² See id. at 6546-47, 6554. On August 17, 2016, the Commission announced as ICO the Honorable Barbara S. Jones (ret.), a partner with the law firm Bracewell, who served for 16 years as a judge on the U.S. District Court for the Southern District of New York. Independent Compliance Officer Identified in Accordance with Charter-Time Warner-Bright House Merger Condition, Public Notice, 31 FCC Rcd 8996 (2016).

Page 2—The Honorable Anthony Brindisi

Condition and is on track to satisfy the terms of the Condition going forward."³ Indeed, Charter has built out to at least 800,000 additional customer locations by the end of 2018, exceeding the target. I have attached a public version of that report for your review.

Should Charter fail to comply with the condition, the Commission may extend the conditions under the Order until completion of the required deployment and require a 5% increase in the yearly deployment obligations.⁴ In addition, in response to a material failure to comply with a condition, the Commission may impose other appropriate sanctions and remedies under applicable law, including a monetary forfeiture.⁵

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

Ajit V. Pai

³ Independent Compliance Officer's Fifth Report on Charter's Compliance with the Residential Build-Out and Data Caps and Usage-Based Pricing Conditions, WC Docket No. 16-197, at 14 (Jan. 15, 2019).

⁴ Charter/TWC Order, 31 FCC Rcd at 6547.

⁵ *Id.* at 6557.